

## **PART VI – COMMENTS**

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### **Introduction**

Written comments regarding the 2001 – 2005 Consolidated Plan were solicited for thirty days beginning October 2, 2000. All comments are on file at OCD and are available for review upon request. Comments that contain recommendations for a change to program policy or fund distribution are summarized below; followed by the agency's response. Comments that suggest areas within the plan that could be improved with additional work in terms of organization and presentation will be used in the development of next year's Action Plan. Most commentators acknowledged that this year's Consolidated Plan was an improvement over past efforts in terms of readability, the overall effort made to involve stakeholders in its development and the scope of the material covered.

From the perspective of the program staff involved in the delivery of services covered by the Consolidated Plan it is important to emphasize that this is a work in progress. It is not meant to be a static final document but rather a benchmark in the continuing dialogue between service providers and their partners and clients. It will be of no surprise to the reader that not all of the stakeholders who receive services from the CDBG, HOME, ESG and HOPWA programs agree completely as to how these resources should be distributed. Consequently, almost no one will agree with every aspect of the plan. Nonetheless, based upon the comments received, a strong consensus exists that the actions described in the plan will make a positive measurable difference to the citizens of Washington State.

Summaries of comments received follow, beginning with issues related to housing and ending with non-housing:

### **Gregory Provenzano and Nick Straley, Columbia Legal Services**

Mr. Provenzano and Mr. Straley submitted a 43-page letter with comments, a revised Table 22 and an Excel table of a permanent rental housing continuum.

Comments were extensive and covered nearly every section and subsection of the plan. Generally speaking, the comments encouraged OCD to rewrite the 2001 Consolidated Plan to develop strategies to focus a larger percentage of state and federal resources on extremely low-income households (households earning less than 30 percent of the Area Median Income).

### **Peter Epperson, Mason County Continuum of Care**

The Plan should focus in on fewer "high" priorities to ensure the state can make a meaningful impact. It will be hard to ensure the state can impact those citizens with the greatest needs. Public dollars must be focused to benefit those absolutely not served by the commercial housing industry—those earning 0-31 percent of the area median income.

## **OCD Response:**

We appreciate the time and effort that Columbia Legal Services and Mason County Continuum of Care devoted to providing comments to the state's Consolidated Plan. Both Mr. Provenzano and Mr. Straley actively participated in OCD's Consolidated Plan Strategic Planning Team. Along with several other team members representing housing interests in Washington State, they had the opportunity to review and discuss draft materials prepared by Bay Area Economics and OCD staff. During the past several months, OCD has revised drafts of the Consolidated Plan based upon input from constituents and stakeholders, including Columbia Legal Services.

OCD does not plan to rewrite the 2001 Consolidated Plan, however we will update the plan to reflect Census 2000 data when it becomes available. We agree that the Consolidated Plan is a work in progress. As required by HUD, OCD produces an annual action plan and a consolidated annual performance report based upon the current 5 year Consolidated Plan. These documents are always made available for public review and comment. We appreciate the many suggestions for improving OCD's reporting and for coordinating with other public and private agencies to improve and enhance housing opportunities for low-income households. We will attempt to incorporate many of the suggestions as part of the OCD Housing Division's effort to improve program delivery and customer service.

The 2001 Consolidated Plan assigns high priority to all households earning below 50 percent of the area median income with housing needs and medium priority to households earning 51 to 80 percent of area median income with housing needs. One of the first drafts of the Consolidated Plan contained strategies that assigned low priority to households earning more than 50 percent of the area median income. This was met with nearly unanimous opposition at the nine community forums that OCD convened as part of the public participation process. Participants stated that neither renters nor homeowners earning more than 30 percent or even more than 50 percent of the area median income could be adequately served by the private sector.

One of OCD's guiding principles in allocating state and federal resources is to respond to locally identified low-income housing needs. There are several programs, including set asides in the Housing Trust Fund, that target households and individuals with special needs, including homeless families, farmworkers and people with disabilities. OCD chooses not to eliminate opportunities for communities to receive state assistance for housing that is a local priority. In order to retain the flexibility to respond to locally identified needs, OCD has chosen not to assign low priority to any household group that is considered low income, that is, earning less than 80 percent of the area median income. The reality is that a large percentage of state and federal funds administered by OCD are awarded to projects serving renter households earning less than 50 percent of the area median income. For example during the 1997-99 biennium:

- 100 percent of HOME Tenant Based Rental Assistance funds went to households earning less than 50 percent of area median income. Although the 1995, 2000 and 2001 Consolidated Plans allow 10 percent of TBRA funds to be used by households earning up to 80 percent of the area median income, this has never occurred during those years.
- 20 percent of HOME funds were used for owner occupied minor home repair in conjunction with weatherization.

- 80 percent of HOME funds were used for acquisition, rehabilitation or construction of multi-family housing and tenant based rental assistance.
- All weatherization funds went to households living at 125 percent of poverty – this equates to varying levels of the area median income and can be as low as 20 percent in some urban areas or as high as 70 percent in some rural areas.
- 88 percent of all Housing Trust Funds were awarded to multi-family projects
- 71 percent of Housing Trust Funds were awarded to units serving households earning less than 50 percent of the area median income

OCD agrees that many of the performance measures for 2001 are inadequate to meet the needs demonstrated by the data. This is because we must project performance measures that can be met with resources that we can reasonably expect to receive. If more resources become available through legislative or congressional budgets, performance measures will be increased. OCD has delivered several housing initiatives to the Office of Financial Management (OFM) as part of the 2001-2003 budget development. OCD has requested an increase of \$25 million capital funds to focus on housing preservation and \$1.5 million to pay for operating costs in housing projects for developmentally disabled and farmworker households. The final budget will be decided by the 2001 state legislature.

Several of the suggestions that Columbia Legal Services made are in areas and programs over which OCD or the state has no direct authority. We will continue to collaborate and increase our work with other public agencies and the private sector, including advocates of low income housing to improve and increase housing resources for low-income households throughout the state.

OCD will work with Columbia Legal Services and other advocates for low income housing to develop and publish timely reports that are helpful in further identifying and addressing the continuum of housing needs in Washington State.

### **Dale Miller, Community Action Center**

At this time OCD provides HOME funds in the HOME repair and the Tenant Based Rental Assistance (TBRA) programs without adequate funding for operating the activities and definitely doesn't provide adequate funding for building capacity. Please increase the commitment to funding the operating costs of small rural Community Housing Development Organizations (CHDO) and the operating support in the TBRA and HOME repair programs.

### **OCD Response:**

OCD will explore ways in which support may be enhanced in the TBRA and the HOME repair programs. We will also examine the support provided to CHDOs and evaluate the effectiveness and impact of operating assistance.

**Sally Erickson, Council for the Homeless**

I recommend giving priority to homeless households earning less than 30 percent of area median income, as well as special needs populations earning 0-50 percent of area median income, who require support services as well as housing. These individuals are the most severely cost-burdened in the housing market.

**Paul Grudis, Evergreen Vista Apartments**

Please give top consideration to the homeless and those in the greatest need. Children growing up under these circumstances are experiencing terrible instability in their lives, and this instability is a key component of their problems in school.

**OCD Response:**

OCD gives a high priority for all households, both renters and owners, with incomes between 0-30 percent of the area median income. Twenty-eight initiatives are specifically designed to address the needs of people who are homeless, migrant and seasonal farmworkers, and people with special needs. We will continue to make our programs available to address locally identified priority needs and we will seek to increase state and federal resources so that those in greatest need can be assured of decent, safe, and affordable housing for themselves and their family members.

**John Day, Housing Authority of Skagit County**

In planning housing developments, whether site-built single-family homes, manufactured homes, multi-family apartment complexes or condominiums, design for conviviality: create attractive indoor and outdoor spaces that encourage people to meet, get to know each other, and work together. Also, include an initiative to make energy-rated mortgages available statewide. Lastly, the emphasis on lead based paint training is good, however, the investment may not be a good one unless more funds are made available for actual lead abatement work. The funds needed to address lead paint problems should be granted rather than loaned to homeowners earning less than 50 percent of the area median income.

**OCD Response:**

We agree that the quality of publicly owned or assisted housing is important and that in building housing we can also help build a sense of community among tenants and homeowners. Many of the participants in the community forums held across the state shared this vision. As we work with local governments, housing developers, public housing authorities and other organizations in the housing field we will continue to emphasize housing excellence, quality, and community. OCD will research and explore the possibilities of energy-related mortgages. Regarding lead based paint abatement, OCD intends to seek additional state or federal funds to increase the number of units mitigated for lead based paint hazards. We will consider if funds may be

available as grants rather than loans to homeowners earning less than 50 percent of the area median income.

### **Ken Briggs, Northwest Regional Facilitators**

Mr. Briggs suggested language changes and initiatives, recommended examples to clarify strategies, and asked for more background information in certain sections of the plan to enhance understanding of the plan. Additionally, he asked where and how someone could get a copy of the county needs assessment profiles. Lastly, he noted some goal and strategy statements lacked performance measures.

#### **OCD Response:**

The numerous comments to clarify the plan were very much appreciated. We added suggested initiatives where possible. With each successive plan, we intend to incorporate past suggestions to make it more straightforward and easy to follow. Persons interested in obtaining the county profiles should contact the Housing Division of the Office of Community Development at (360) 725-2921 and ask for Volume 2: County Profile. OCD developed performance measures for those strategy areas where we had the capacity to track and/or gather the necessary data and information. We will continue to work with other agencies and organizations to increase our access to data so that we can better measure our progress in relation to our plan.

### **Kurt Creager, Vancouver Housing Authority**

Mr. Creager complemented OCD on the 2001 Consolidated Plan for recognizing the diversity of needs among low-income households and for responding responsibly to the needs. He urges the state to resist targeting all or a majority of state financial resources to the lowest of low income households because the effectiveness of mixed income projects and the state's ability to leverage private funds would be impaired.

#### **OCD Response:**

Mr. Creager offered suggestions that modify the wording in some of the strategies. OCD incorporated suggestions that improved the accuracy of a strategy. Some suggestions involve areas that will require further discussion with other OCD programs and state agencies and cannot be added to the Consolidated Plan prior to those discussions.

### **Brian Wahl, Washington Association of Realtors**

The Washington Association of Realtors provided a number of comments that focus on the problems that drive the rising costs of housing. While housing requirements are established through the Growth Management Act, many jurisdictions are not complying with state law. Failure to meet housing requirements not only causes a serious shortage of housing; it also drives housing prices out of reach of many families hoping to buy their first home. Further strategies to address these concerns were proposed.

## **OCD Response:**

The Washington Association of Realtors (WAR) strongly support a lot of the initiatives and strategies contained in the Consolidated Plan that address jobs/housing balance, ensure urban densities and affordable housing goals are achieved, establish benchmarks to measure progress, remove policies that serve as barriers to affordable housing, provide for coordinated statewide investment strategy that includes infrastructure, housing and economic development.

WAR is concerned about the apparent lack of an "action plan" to implement the outlined strategies. To address this concern, some recommendations and strategies were proposed for inclusion in the Consolidated Plan. The thrust of the recommendations is that OCD work with local governments to address some housing and related issues that are not being addressed in many of the GMA comprehensive plans and regulations. These include allowing manufactured housing in all residential zones under appropriate conditions; requiring an economic development element in comprehensive plans; establishing performance measures and benchmark indicators to ensure accountability in planning; prioritizing capital facilities expenditures for strategic infrastructure investments that encourage affordable housing and expedited permit reviews.

Most of the strategies WAR recommends must be implemented at the city or county level and as such should not be included in the Consolidated Plan as written until local governments have had the opportunity to review and comment on the proposal. We agree with WAR that OCD should work with local governments to achieve the strategies. OCD is doing that already through our technical and financial assistance programs established under the GMA. By providing comments to improve comprehensive plan policies, developing guidebooks and model ordinances to guide housing, land use, transportation, capital facilities and economic development elements of the comprehensive plans and for performance measure monitoring relative to housing, and land supply.

The 1997 Legislature created a review and evaluation program often referred to as "Buildable Lands" (RCW 36.70A.215). This legislation is optional for all jurisdictions except six counties – Snohomish, King, Pierce, Kitsap, Thurston and Clark. Under the Buildable Lands Program, these local governments monitor the intensity of development to determine if they are achieving urban densities within their boundaries to accommodate projected growth. They also have to monitor their land supply. OCD has worked with these jurisdictions to develop "The Buildable Lands Guidelines" to help implement this review and evaluation program. Even though it is not required of all jurisdictions, it is a tool that all jurisdictions could benefit from. It certainly could help address some of the urban housing density and land supply and performance measures concerns raised by WAR.

WAR's concerns regarding programmatic environmental impact statement could be addressed through the Planned Action process allowed under the State Environmental Policy Act (SEPA). Mill Creek's SR 527 Corridor Sub-area Plan and Supplemental Environmental Impact Statement is an example of pre-development planning resulting in the designation of planned actions under SEPA. Funded by the Growth Management Planning and Environmental Review Fund (PERF),

the plan provides the predictability necessary to quickly permit housing projects whose design is consistent with the plan.

**John Shaw, Washington Low Income Housing Network**

The Network believes the plan would have been better served if OCD had made a greater effort in reaching out to tenants of the housing built by the state and federal block grant funds administered by the state. In future planning efforts, the Network will be happy to tap into their grass roots contacts across the state to facilitate outreach to low-income tenants. The Network further encourages OCD to be as inclusive as possible in the fact-checking and gathering processes, to gather input and feedback from providers and tenants on an ongoing basis, and make implementation as open a process as planning.

**OCD Response:**

The Consolidated Plan was built with a view towards encouraging citizen participation, local comment and review, and input from diverse interest groups across the state. OCD will continue to encourage input on the plan from all interested parties and welcomes the assistance of organizations like the Network who are well placed to strengthen our efforts in these areas.

**Gregory Provenzano, Columbia Legal Services** (In addition to previously addressed comments from Mr. Provenzano, the following issues were raised concerning the CDBG program.)

An insufficient amount of the state's CDBG allocation has been provided to fund housing projects. A larger percentage of CDBG funds can and should be dedicated and used for preserving and developing affordable housing. At the very least, the program should allocate more than twenty-five percent of available resources to housing.

**OCD Response**

The state's CDBG program is run as a partnership with local governments. All funds, as required by HUD, must be granted to non-entitlement cities and counties. Often local governments will in turn partner with sub-recipients to develop and complete projects. How much CDBG money flows to local governments specifically for housing is more a function of how many local governments place a priority on packaging housing proposals in any given year. Rather than setting aside a specific amount of CDBG money that must be spent on housing projects, the agency has taken the position that local governments should decide which eligible activity area best meets their needs.

Second, housing projects by themselves are often not the only means of addressing affordable housing issues. For example, in many rural communities the need to address infrastructure issues, such as water and wastewater system deficiencies, is required in order to lift building moratoriums that stand in the way of housing investments. In several instances it has taken years of infrastructure grants before a community was positioned to build farm worker housing.



**Sharon Lee, Low Income Housing Institute**

Encourage the consideration of the use of CDBG dollars to make float loans available to non-profits for low-income housing projects including Section 8 Preservation.

**OCD Response**

The CDBG Float Loan Program has in the past primarily been oriented to creating jobs for low and moderate-income individuals. All float loans require an irrevocable letter of credit to assure that if the resources are needed by the CDBG program to meet grant award obligations the funds would be immediately available upon demand. Given changes made this year to HUD's grant award disbursement system – the Integrated Disbursement and Information System (IDIS) – the time period in which loans can be extended will potentially be shortened to eighteen months. This could be a factor that limits the usefulness of float loans for housing projects. During the 2001 program year, the Float Loan Program will be reviewed to consider how it could be structured to assure the highest level of benefit for low and moderate-income people. This will include looking at what other states are doing with their float capacity. One of the options that will be considered is whether it is possible to use float loans to benefit housing projects.

**Ken Sterner, North Columbia Community Action Council**

The CDBG program should give the same priority funding it gives to Enterprise Zones and Enterprise Communities (EZ/EC) to Champion Communities. Both HUD and USDA recognize designated Champion Communities.

**OCD Response**

By including mention of the EZ/EC program in this year's Consolidated Plan the agency was primarily attempting to extend an option to eligible communities to make use of HUD's Community Revitalization Regulation in the packaging and development of CDBG proposals. If Champion Communities are similarly recognized under HUD's regulations there is no reason why they cannot receive the same priority consideration as EZ/EC areas.